

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

In re: NEW CENTURY TRS HOLDINGS
INC., *et al.*,

Positive Software Solutions Inc.

Appellant,

v.

New Century TRS Holdings Inc., et al.,

Appellees.

Civil Action No. 07-559

Bankruptcy Case No. 07-10416
AP 07-87

MEDIATOR'S FINAL REPORT

The undersigned mediator, David B. Stratton, hereby reports on the progress of the mediation as follows:

1. The parties came together on two separate days, January 7 and January 8, 2008, in a good faith attempt to resolve this matter.
2. The parties are unable to settle this matter through arbitration.

Dated: February 1, 2008

MEDIATOR

David Straits

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CERTIFICATE OF SERVICE

I, David B. Stratton, hereby certify that on February 1, 2008 a true and correct copy of the foregoing **Mediator's Final Report** was served via First Class Mail, postage pre-paid, upon the following parties:

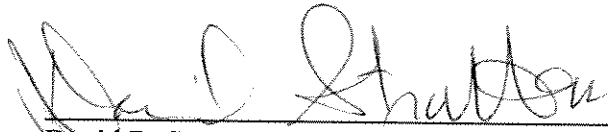
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